

EXECUTIVE COMMITTEE – 8 JANUARY 2007

LEISURE & COMMUNITY POLICY PANEL – 9 JANUARY 2007

PART II – NOT DELEGATED

1. WILLIAM PENN LEISURE CENTRE REFURBISHMENT – MAIN CONTRACT (DLE)

This report is NOT FOR PUBLICATION because it deals with Information relating to the financial or business affairs of any particular person (including the authority holding that information) (paragraph 3 of Schedule 12A).

1. Summary

1.1 To consider a tender price report for the refurbishment of William Penn Leisure Centre (to be tabled).

2. Details

2.1 The refurbishment of William Penn Leisure Centre has been tendered as two contracts. An enabling contract of limited works to the 'dry' side of the building and utility supplies began on 11 December 2006, and is due for completion at the end of February 2007. The value of this contract is £183,039.

2.2 The bulk of the refurbishment works are contained within a main contract with an estimated value of £3,786,691. Tenders for this contract were received on Wednesday 20 December.

2.3 Received tenders are being reviewed by the design team (Atkins), in order to compile a tender price report, as well as a list of options for potential cost savings if required in order to keep the scheme within budget ('value engineering'). These reports will be received by officers on 8 January, and an appropriate recommendation will then be brought to the Executive Committee meeting that evening.

2.4 The nature of the recommendation will depend on the value of the tender bids received, as well as the design team's view on their robustness. It is therefore not possible at the time of writing of this report to predict the detail of the recommendation, which may include:

- a) To note the awarding of the lowest tender provided it is within the budgeted tender figure.
- b) To award a contract for an amended or reduced specification.
- c) To delegate authority for final negotiations with tenderers to the Director of Leisure & Environment, in consultation with the Portfolio Holder for Leisure & Community and the Leader of the Council.
- d) To recommend that the 9 January 2007 meeting of Leisure & Community Policy Panel considers a variation in the proposed allocation for this scheme within the 2007/08 capital budget. This would then be considered by the Executive Committee on 5 February 2007, prior to the budget setting meeting of the Council on 20 February 2007.

2.5 An appropriate recommendation, with supplementary information if required, will be tabled at the Executive Committee meeting. The decision of the Executive Committee will be reported to the Leisure & Community Policy Panel.

3. **Options/Reasons for Recommendation**

3.1 To consider a tender price report for the refurbishment of William Penn Leisure Centre.

4. **Policy/Budget Implications**

4.1 The recommendations in this report are within the Council's agreed policy, specifically the 'Healthy Communities' theme and 'Providing a mix of leisure facilities for all ages'.

4.2 The recommendations within this report may vary the Council's proposed capital budget for 2007/08.

5. **Financial Implications**

5.1 Any financial implications from this recommendation will be tabled in supplementary information.

6. **Equal Opportunities Implications**

6.1 **Relevance Test**

| | |
|--|----|
| Has a relevance test been completed for Equality Impact? | No |
|--|----|

A relevance test is not appropriate for this recommendation.

6.2 **Impact Assessment**

The operation of the finished building will be covered by an Equalities Impact Assessment of the Leisure Facilities Management Contract to be conducted during 2007.

7. **Risk Management Implications**

7.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. The risk management implications of this report are detailed below.

7.2 The subject of this report is covered by the Leisure service plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

7.3 The following table gives the risks already identified for this project, together with a scored assessment of their impact and likelihood.

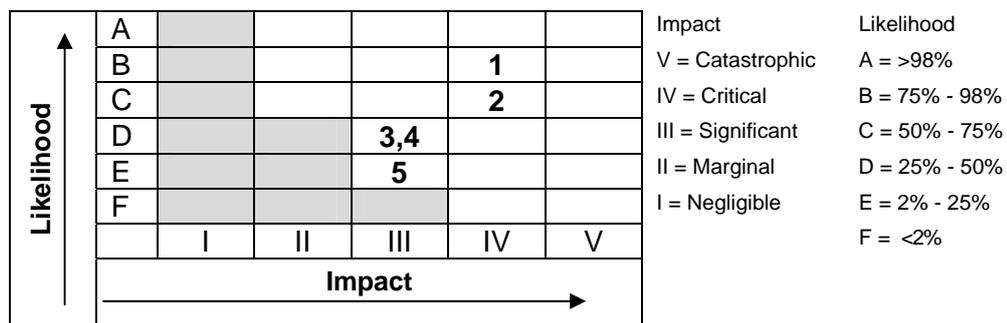
| Description of Risk | | Impact | Likelihood |
|---------------------|---|--------|------------|
| 1 | Project over-runs budget | IV | B |
| 2 | Project is delivered late | IV | C |
| 3 | Loss of key project personnel | III | D |
| 4 | Project does not deliver the required outputs | III | D |
| 5 | Contractor fails | III | E |

7.4 Of the risks listed in 6.3 above, the impact or likelihood of the following risks may be varied by the final recommendation:

| Description of Risk | | Impact | Likelihood |
|---------------------|---|--------|------------|
| 1 | Project over-runs budget | tbc | tbc |
| 4 | Project does not deliver the required outputs | tbc | tbc |

7.5 All the risks detailed above are already managed within the Project Initiation Document for this project, and the Leisure service plan.

7.6 The existing risks are plotted on the matrix below depending on the scored assessments of impact and likelihood, detailed definitions of which are included in the risk management strategy. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require a treatment plan.



7.7 In the officers' opinion none of the risks above, were they to come about, would seriously prejudice the achievement of the Strategic Plan, and are therefore operational risks. The effectiveness of treatment plans are reviewed by the Audit Committee annually.

8. **Legal, Staffing, Environmental, Community Safety, Customer Services Centre and Website Implications**

8.1 None specific.

9. **Recommendation**

9.1 That the Executive Committee approves an updated recommendation to be tabled by Officers.

9.2 That the Leisure & Community Policy Panel notes the decision made by the Executive Committee.

9.3 That public access to the report be immediate.

9.4 That public access to the decision be immediate (unless further negotiation with tenderers is required).

Background Papers

WPLC Refurbishment files

Report prepared by: Patrick Martin
Leisure Performance & Contracts Manager

APPENDICES / ATTACHMENTS

To be tabled